

SEWER TASK FORCE

City Hall, Conference Room 2A

Meeting Minutes- Friday, October 15, 2010

Present: Rick Buford, Lee Terry, Brian Toohey, Greg Watts.

Absent: Ken Nivens, Scott Southwick, Mark Stevenson

City Staff: Lori Fleming, Finance Director; John Glascock, Director of Public Works; Steve Hunt, Environmental Services Manager with Public Works; and Sarah Talbert, Senior Rate Analyst with Public Works
Pat Burbridge, Public Works Department/Secretary for the meeting

Others in Attendance: Mr. Daryl Dudley, Mr. Tom Ratermann, and Mr. Bill Weitkemper

CALL TO ORDER

The meeting was called to order at 3:01 p.m. by Mr. Toohey. He apologized for not being at the last meeting.

AGENDA ITEMS

Approve Minutes from Previous Meeting

Mr. Buford asked that the minutes include more detail about the discussions that take place during the meeting. Mr. Glascock stated that the minutes would be revised and submitted for approval at the next meeting.

Continue to discuss Baker Tilly Sewer Rate Study from September 24, 2010 meeting and submit questions to staff for consultant

Mr. Glascock introduced Mr. Steve Hunt, the Environmental Services Manager. He provided a handout of a spreadsheet that represents the master meter residential customers, and a memo from Water Engineering giving water meter sizing and types of service. They are attached to these minutes. The City uses 5/8" to 6" meters. A linear multiplier is used to figure the base charge by meter capacity. It is still a linear relationship, but it is a steeper net curve than originally anticipated.

Mr. Buford is proposing charging a larger customer more per unit than a smaller customer. He would like to see an exponential relationship rather than a linear relationship for the base charges. Ms. Fleming stated again that there would be both a base fee and a volume charge. Mr. Buford asked for more information on how the components are allocated that are included in the fixed costs. This information is included in the Cost of Service Study. A copy of the Cost of Service Study spreadsheet will be sent to the Task Force members. It does not cost more to bill a large customer than a small customer, but the collection system for a large customer needs to be more than the collection system for a small customer. Mr. Glascock considers anyone who has a 1" or larger meter to be a large customer, but "large" does need to be defined.

After the presentations are made, it might be advantageous to schedule a conference call with Baker Tilly as they might bring up more questions.

Ms. Fleming brought up the point that the change in volume charge could be phased in over a specified period of time if that is desirable. She also feels there should be discussion to determine what is residential and what is commercial because that will determine whether the bill is based on Winter

Quarter Average or actual consumption. Currently “residential” is defined as a one or two household structure. It won’t be possible to cover every circumstance, but rules must be set up that will cover the majority of the customers.

The meeting was adjourned at 3:45 p.m. The next meeting is scheduled for Friday, October 22, 2010 at 3:00 p.m.

pfb